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Weekly Rice Price Update

Report Categories:

Grain and Feed

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Report Highlights:

Export prices were mixed as the government stock release has not been finalized. Despite the controversy over anticipated losses from the tender, exporters expect the final result will come out next week. The stock release is expected to push white rice export prices below \$500/MT.

General Information:

Indicative Prices (Week Ending May 18):

Thailand: Export (FOB) Prices for various grades of rice (USD/MT)

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	850	895	850	850	840	835	-	853	845
WR 100 B	555	565	555	550	540	545	500	544	544
PB 5%	545	-	555	-	530	555	520	541	537
WR 5%	525	540	530	540	520	515	490	523	525
WR 10%	520	-	525	-	-	510	-	518	517
WR 15%	485	-	520	-	-	490	-	498	500
WR 25%	435	-	450	-	-	440	-	442	460
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	295	330	325	-	330	310	-	318	320
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 34.4 baht/U.S.\$

Source: Average actual prices received from exporters

Market Tone

Export prices were mixed as the government stock release has not been finalized. Despite the controversy over anticipated losses from the tender, exporters expect the final result will come out next week. Bidding prices will likely be concluded 1,000 – 2,000 baht/ton (\$30-\$60/MT) higher than bidding prices tendered on May 6 (TH9073 and TH9074). Thailand's top four exporters are expected to get the majority of the tender for 5% grade white rice from MY2007/08 second crop (1.0 million tons) and MY2008/09 main crop intervention program (1.4 million tons). Meanwhile, the balance will be fragrant rice from MY2008/09 intervention program of around 70,000 – 80,000 tons. The stock release is expected to push white rice export prices below \$500/MT.

Domestic prices increased slightly this week due to enquiries for new crop supplies to fulfill outstanding contracts. However, over the next few weeks, domestic prices remain under downward pressure as foreign buyers focus on the government stock release. Meanwhile, the second-crop intervention program has absorbed 3.0 million tons of paddy, mostly white rice. The program will likely reach the expanded target of 4.0 million tons of paddy before the end of the program in July.

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4 WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Mar 15	104,942	106,008	1,088	1,869	-41.8
Mar 22	82,621	95,921	1,170	2,075	-43.6
Mar 29	86,141	93,542	1,256	2,307	-45.5
Apr 2	105,037	94,685	1,362	2,489	-45.3
Apr 12	85,157	89,739	1,447	2,657	-45.6
Apr 19	55,543	82,969	1,502	2,736	-45.1
Apr 26	144,559	97,581	1,647	2,906	-43.3
May 3	142,632	106,980	1,789	3,042	-41.2
May 10	130,197	118,240	1,920	3,178	-39.6
May 17	138,960	139,094	2,059	3,363	-38.8

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for May 11-17, 2009 totaled 138,960 tons, up 8,763 tons from the previous week, and down 135 tons from the four-week moving average of 139,094 tons. Exports during Jan. 1 - May 17 totaled 2,058,601 tons, as compared with 3,363,027 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- May 7, 2009, amounted to 2,902,710 tons, down 30.0 percent from 4,147,477 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Apr. 27 – May 1, May 4-8, and May 11-15, 2009 are as follows:

Movement (MT)	Apr. 27 – May 1	May 4-8	May 11-15
Weekly sales	128,405	99,972	108,233
4 week sum	549,103	436,559	461,342
4 week mov. avg.	137,276	109,140	115,336
Total weekly sales	2,200,049	2,300,021	2,408,254

End of Report.